AMENDMENTS TO THE CLAIMS

1. **(Currently amended)** A method of treating diabetes in a mammal in need thereof, comprising the steps of:

implanting in said mammal a tolerizing dose of insulin-secreting cells ~~from the same species as said mammal~~ encapsulated in a biologically compatible permselective membrane; then

administering to said mammal a ~~curative~~ therapeutic dose of corresponding unencapsulated insulin-secreting cells.

2. **(Original)** The method of claim 1, wherein said mammal is a human, canine or feline.

3. **(Currently amended)** The method of claim 1, wherein said tolerizing dose is one to two orders of magnitude less than said ~~curative~~ therapeutic dose.

4. **(Original)** The method of claim 1, wherein said insulin-secreting cells are pancreatic islet cells.

5. **(Original)** The method of claim 1, wherein said membrane comprises polyethylene glycol.

6. **(Currently amended)** The method of claim 1, wherein said tolerizing and ~~curative~~ therapeutic doses ~~are~~ comprise porcine cells.

7. **(Currently amended)** The method of claim 1, further comprising the step of administering one or more anti-inflammatory agents to said mammal prior to, at the same time as, or subsequent to administration of said ~~curative~~ therapeutic dose.

8. **(Original)** The method of claim 1, wherein said membrane has a molecular weight cutoff of about 150 kDa or less.

9. **(Original)** The method of claim 1, wherein said membrane has a pore size of less than about 0.4 μm.

10. **(Original)** The method of Claim 9, wherein said membrane has a pore size of less than about 0.2 μm.

11. **(Currently amended)** The method of Claim 1, wherein said ~~curative~~ therapeutic dose is between one and two orders of ~~magniture~~ magnitude higher than said tolerizing dose.

12. **(Original)** The method of Claim 1, wherein said implanting step is subcapsular, subcutaneous, intraperitoneal or intraportal.

13. **(Original)** The method of Claim 1, wherein said administering step is intraperitoneal, intraportal or subcutaneous.

14. **(Original)** The method of Claim 1, wherein said tolerizing dose is administered incrementally.

SUMMARY OF INTERVIEW

Exhibits and/or Demonstrations

Experimental data showing that implanting a tolerizing (sub-therapeutic) dose of encapsulated insulin-producing cells into NOD mice prior to the animals developing diabetes protected these animals from diabetes for the rest of their natural lives as shown by their normoglycemia and lack of insulitis.

Identification of Claims Discussed

1-14

Identification of Prior Art Discussed

USP 6,703,017; 6,425,764; Posselt et al. Diabetes 1992 41:771-775.

Proposed Amendments

None

Principal Arguments and Other Matters

The Applicant argued that claims 1-14 are non-obvious over USP 6,703,017 and 6,425,764 in view of Posselt et al. *Diabetes* 1992 **41**:771-775.

Results of Interview

Applicant will provide Declaration showing the histology of the mice that were prevented from developing Type I diabetes. Applicant agreed to consider amending claims. The Examiner provided the correct copy of the Posselt et al. reference (i.e. 1991 *An. Surg.* **214**:363-373).